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SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(x) QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended
March 31, 1992

Commission File Number 0-3730

BEST COPY
AVAILABLE

Willamette Industries, Inc.
(Exact name of registrant as specified in its charter)

State of Oregon	93-0312940
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3800 First Interstate Tower, Portland, Oregon	97201
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (503) 227-5581

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes x No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.
Common Stock, 50 cent par value: 27,366,725 shares, May 1, 1992

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ASSETS	March 31, 1992	December 31, 1991
Current assets:		
Cash, including time deposits	$ 5,054	2,210
Receivables, net of allowance for doubtful accounts of $5,079 and of $4,519	196,048	175,383
Inventories (Note 2)	221,544	225,250
Prepaid expenses	10,634	12,606
Deposits on timber cutting contracts	23,692	23,731
Total current assets	456,972	439,180
Timber, timberlands and related facilities, at cost less stumpage and amortization	438,379	443,075
Property, plant and equipment, at cost less accumulated depreciation of $879,181 and $843,147	1,295,453	1,273,260
Other assets	63,928	63,552
Total assets	$ 2,254,732	2,219,067
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 1,709	2,020
Notes payable	78,500	50,000
Accounts payable, including book overdrafts of $23,530 and $30,610	99,574	114,748
Accrued expenses	124,663	120,506
Accrued income taxes	10,338	4,712
Total current liabilities	314,784	291,986
Long-term debt	733,911	746,622
Other liabilities	14,411	14,681
Deferred income taxes	178,588	171,318
Stockholders' equity:		
Common stock, $.50 par value (25,602,470 and 25,481,265 shares outstanding in 1992 and 1991)	12,801	12,741
Capital surplus	170,644	165,115
Retained earnings	829,593	816,604
Total stockholders' equity	1,013,038	994,460
Total liabilities & stockholders' equity	$ 2,254,732	2,219,067

WILLAMETTE INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EARNINGS
(In Thousands of Dollars, Except Per Share Amounts)

	Three Months Ended March 31,	
	1992	1991
Net sales	$ 561,025	461,184
Cost of sales	465,872	403,505
Gross profit	95,153	57,679
Selling and administrative expenses	39,392	34,320
Operating earnings	55,761	23,359
Other income, net	(105)	118
	55,656	23,477
Interest expense	17,394	14,685
Earnings before taxes	38,262	8,792
Provision for income taxes	14,540	3,341
Net earnings	$ 23,722	5,451
Average shares outstanding	25,548,892	25,423,536
Earnings per share	$0.93	0.21
Dividends per share	$0.42	0.40

	Three Months Ended March 31,	
	1992	1991
Cash Flows From Operating Activities:		
Net earnings	$ 23,722	5,451
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	34,457	30,838
Stumpage on fee timber harvested	5,702	4,119
Other amortization	1,452	1,012
Increase in deferred income taxes	7,270	1,168
Changes in working capital items:		
Accounts receivable	(20,665)	(23,057)
Inventories	3,379	(7,009)
Prepaid expenses and timber deposits	1,064	(260)
Accounts payable and accrued expenses	(11,171)	(7,433)
Federal and state taxes on income	5,626	(931)
Net cash provided by operating activities	50,836	3,898
Cash Flows From Investing Activities:		
Proceeds from sale of equipment	628	30
Expenditures for property, plant and equipment	(57,533)	(44,192)
Expenditures for timber and timberlands, net	511	(849)
Expenditures for roads and reforestation	(1,548)	(1,490)
Other	(384)	850
Net cash used in investing activities	(58,326)	(45,651)
Cash Flows From Financing Activities:		
Debt borrowings	15,900	64,000
Proceeds from sale of capital stock	5,589	0
Cash dividends	(10,733)	(10,169)
Payment on debt	(422)	(24,994)
Net cash provided from financing activities	10,334	28,837
Net increase (decrease) in cash	2,844	(12,916)
Cash at beginning of year	2,210	21,076
Cash at end of period	$ 5,054	8,160
Supplemental disclosures of cash flow information:		
Cash paid during the year for:		
Interest (net of amount capitalized)	$ 18,673	17,747
Income taxes	$ 1,644	3,104

WILLAMETTE INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 1992

Note 1 The information furnished in this report reflects all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented.

Note 2 The components of inventories are as follows (Thousands of Dollars):

	March 31, 1992	December 31, 1991
Finished product	$ 67,187	67,281
Work in process	6,543	5,409
Raw material	101,777	106,519
Supplies	46,037	46,041
	$221,544	225,250

Note 3 The registrant has no material pending legal proceedings.

Note 4 On April 6, 1992, the Company issued 1,750,000 shares of common stock and the net proceeds of the sale (approximately $127.1 million) have been utilized to repay all short-term bank borrowings, which were $78.5 million at March 31, 1992. In addition, the Company has announced a 2 for 1 split of the Company's common stock payable on May 22, 1992, in the form of a stock dividend to shareholders of record at May 1, 1992.

Other notes have been omitted pursuant to Rule 10-01(a)(5) of Regulation S-X.

WILLAMETTE INDUSTRIES, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL
CONDITION AND RESULTS OF OPERATION
March 31, 1992

The Company's two basic businesses, paper products and building materials, are affected by changes in general economic conditions. Paper product sales and earnings tend to follow the general economy. Building materials activity is closely related to new housing starts and to the availability and terms of financing for construction. Both industry segments use timber as the basic raw material and the cost of timber is sensitive to various supply and demand factors.

RESULTS OF OPERATIONS

1st Quarter 1992 vs. 1st Quarter 1991

Net sales increased 21.6% in the first quarter of 1992 from the first quarter of 1991. Paper product sales increased 4.2%. Volume increases were experienced in all paper product lines with the exception of grocery bags which declined approximately 12.0%. However, because of weak economic conditions and excess production capacity in the industry, average sales price realizations declined in all lines except for minimal increases in containerboard, corrugated containers and bleached pulp. Building materials sales increased 66.7% compared with the first quarter of 1991 as average sales price realizations increased approximately

31.8% for lumber products and 41.3% for plywood products compared to the first quarter of 1991. Improved housing markets and timber shortages in the West were significant factors in the sharply increased prices. In addition, the acquisition of Bohemia in late 1991 contributed approximately $36.1 million in sales in the first quarter or approximately 42.1% of the increased sales. In addition, sales volumes, excluding Bohemia, were up for all wood product lines on average 10.9%.

Gross profit margins increased to 17.0% in the first quarter of 1992 from 12.5% in the first quarter of 1991. Paper product margins decreased to 16.5% from 17.8% in the first quarter of 1991 due to declining average sales price realizations. Building materials gross profit margins were a positive 17.8% as compared with a negative 1.3% in the first quarter of 1991. Increased average sales price realizations and unit volume shipped account for the significant improvement.

Selling and administrative expenses increased 14.8% over the comparable three month period in 1991. The increase is due to the acquisition of Bohemia Inc. in the fall of 1991, increased sales volume activity, the start-up of the Bennettsville MDF facility in December 1991, and two new corrugated container facilities which did not begin full operations until the end of the first quarter of 1991. Selling and administrative expenses declined to 7.0% of

sales in 1992 as compared to 7.4% in the first quarter of 1991. Interest expense increased to $17.4 million in the first quarter of 1992 from $14.7 million in the first quarter of 1991. The increase was primarily attributable to the issuance of $150 million, 9.0%, thirty year debentures in October of 1991.

Financial Condition as of March 31, 1992

In the first three months of 1992, the Company had capital expenditures of $58.6 million which has been funded by internally generated cash flows and through external borrowings. Internally generated funds have increased significantly in the first quarter of 1992 from the comparable period in 1991 due to improved net earnings and higher non-cash charges to earnings.

Additional external borrowings have consisted of an additional $15.9 million of short-term borrowings under uncommitted lines from a number of banks. All short-term borrowings have been classified as current in the March 31, 1992 balance sheet. In April 1992, the Company issued 1,750,000 shares of common stock and the net proceeds of approximately $127.1 million have been used to repay the short-term debt. The remaining net proceeds are temporarily invested in short-term obligations, pending use for general corporate purposes including capital expenditures.

The long-term debt-to-capital ratio has decreased to 42.0% at March 31, 1992 (39.2% on a proforma basis reflecting the issuance of common stock) from 42.9% at December 31, 1991. Working capital has decreased to $142.2 million at March 31, 1992 ($269.5 million on a proforma basis reflecting the issuance of common stock and payment of short-term debt) from $147.2 million at December 31, 1991.

The Company believes it has the resources available to meet its liquidity requirements. Resources include internally generated funds, unissued senior debt securities available under a shelf registration with the Securities and Exchange Commission, short-term borrowings and revolving credit agreements which could be arranged with a number of banks as the Company has often done in the past.

On April 21, 1992, the Board of Directors of the Company continued the quarterly cash dividend at $.42 per share. However, there is no assurance as to future dividends as they are dependent upon earnings, capital requirements and financial condition.

The Company has announced a 2 for 1 split of the Company's common stock payable on May 22, 1992, in the form of a stock dividend to shareholders of record at May 1, 1992.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

The annual meeting of the Company's shareholders was held April 21, 1992. Proxies for the meeting were solicited pursuant to Regulation 14A under the Securities Exchange Act of 1934, and there was no solicitation in opposition to management. All management nominees for director were elected.

Item 5. Other Information

A description of the registrant's capital stock is filed as Exhibit 28 hereto for the purpose of updating the description previously filed as Exhibit 28 to the registrant's annual report on Form 10-K for the year ended December 31, 1989.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	Exhibit	Sequential Page No.
12	Computation of Ratio of Earnings to Fixed Charges	12
28	Description of Capital Stock	13

(b) Reports on Form 8-K

None

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WILLAMETTE INDUSTRIES, INC.

By J. A. Parsons

J. A. Parsons
Executive Vice President
(Principal Financial Officer)

Date: May 5, 1992

Exhibit 12

WILLAMETTE INDUSTRIES, INC. AND SUBSIDIARIES
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollar Amounts in Thousands)

	Year Ended December 31,					Quarter Ended March 31,	
	1987	1988	1989	1990	1991	1991	1992
Fixed Charges:							
Interest Cost	$31,123	$35,071	$42,140	$52,028	$63,986	$14,712	$17,394
One-third rent expense	1,914	2,187	2,518	2,948	3,725	848	1,097
Total Fixed Charges	$3,037	$7,258	$4,658	$4,976	$7,711	$5,560	$8,491
Add (Deduct):							
Earnings before Income Taxes	$01,039	$54,587	$08,056	$08,671	$3,609	$,792	$8,262
Interest Capitalized	($84)	($2,572)	($3,304)	($2,129)	($23)	($7)	($77)
Earnings for Fixed Charges	$233,692	$289,273	$339,410	$341,518	$140,597	$24,325	$56,176
Ratio of Earnings to Fixed Charges	7.07	7.76	7.60	6.39	2.08	1.56	3.04

DESCRIPTION OF CAPITAL STOCK

The authorized capital stock of Willamette Industries, Inc. (the "Company"), consists of 5,000,000 shares of cumulative preferred stock, $.50 par value ("Preferred Stock"), issuable in series, and 75,000,000 shares of common stock, $.50 par value ("Common Stock").

The board of directors of the Company is authorized to divide the Preferred Stock into series and to determine the preferences, limitations and relative rights of each series. The board of directors has established a series of Preferred Stock designated as Series A Junior Participating Preferred Stock ("Series A Preferred Stock"), comprising 500,000 shares of Preferred Stock. Subject to superior rights of any other outstanding Preferred Stock, each share of Series A Preferred Stock is entitled to receive, in preference to the Common Stock, quarterly cumulative dividends equal to 100 times the quarterly dividend paid with respect to each share of Common Stock, but not less than $1.00. Each share of Series A Preferred Stock is entitled to 100 votes on all matters submitted to a vote of the shareholders. In the event of liquidation of the Company, each share of Series A Preferred Stock is entitled to receive, in preference to the Common Stock, a liquidation payment of the greater of (i) $1.00 plus all accrued and unpaid dividends and distributions and (ii) an amount equal to 100 times the aggregate amount to be distributed per share of Common Stock. In the event of any merger or other transaction in which Common Stock is to be exchanged, each share of Series A Preferred Stock shall be entitled to receive 100 times the amount received per share of Common Stock. The rights of holders of the Series A Preferred Stock are subject to adjustment under certain circumstances to prevent dilution. Series A Preferred Stock is not redeemable.

Shares of Common Stock and Series A Preferred Stock vote together as a single class on all corporate matters (except for certain matters affecting the Series A Preferred Stock or as otherwise required by law). Shares of Common Stock are entitled to one vote per share. Voting for directors is not cumulative. The board of directors is divided into three classes serving staggered three-year terms.

Holders of Common Stock are entitled to dividends when, as, and if declared by the board of directors out of funds legally available therefor (subject to the rights of holders of any Preferred Stock). Common Stock is not convertible into any other class of security, is not entitled to the benefit of any sinking fund provision, and does not have any preemptive rights. All outstanding shares of Common Stock are fully paid and nonassessable. Upon liquidation of the Company, after payment or provision for all liabilities and payment of any preferential amount in respect of Preferred Stock, holders of Common Stock are

EXHIBIT 28

entitled to receive liquidating distributions of any remaining assets on a pro rata basis.

The Company's articles of incorporation provide that certain business combinations involving the Company and any shareholder which, together with its affiliates, is the beneficial owner of 20 percent or more of the Company's outstanding shares of capital stock, require the affirmative vote of the holders of at least 80 percent of the outstanding shares of capital stock. The 80 percent voting requirement does not apply in the case of a business combination which provides for conversion of Common Stock into cash, securities or property having a fair market value not less than the highest per-share price paid by the other party within one year prior to the date of the vote or, under certain circumstances, if the transaction is approved by the board of directors. The articles of incorporation also provide that directors of the Company may be removed at a meeting called expressly for that purpose by the affirmative vote of the holders of not less than 80 percent of the outstanding shares of capital stock.

The Company has distributed to holders of Common Stock rights to purchase shares of Series A Preferred Stock ("Rights") on the basis of one Right for each share of Common Stock. The Rights are not exercisable and are attached to and trade with shares of Common Stock until the earlier of (i) 10 days following a public announcement that a person or group has acquired beneficial ownership (as defined) of 20 percent or more of the outstanding Common Stock (other than the Company, any subsidiary of the Company, any employee benefit plan of the Company or any subsidiary of the Company, any entity holding shares of Common Stock for or pursuant to the terms of any such plan, or a person who acquires shares in a tender offer sanctioned by the board of directors) and (ii) 10 business days following the commencement or announcement of certain offers to acquire beneficial ownership of 30 percent or more of the outstanding Common Stock. Upon such an event, the Rights will trade separately and will become exercisable. Until a Right is exercised, the holder thereof will have no rights as a shareholder of the Company, including, without limitation, the right to vote or to receive dividends.

When the Rights first become exercisable, one Right will entitle the holder to buy from the Company one one-hundredth of a share of Series A Preferred Stock at a price of $175. Upon acquisition of beneficial ownership of 20 percent or more of the outstanding Common Stock by a person or group described above, each Right will entitle the holder (other than such person or group) to buy from the Company for $175 shares of Common Stock having a market value of $350. If the Company is acquired in a business combination, or a majority of its assets is acquired, after a person or group described above acquires beneficial ownership of 20 percent or more of the outstanding Common Stock, each Right will thereafter entitle the holder (other than such person or group) to acquire for $175 shares of common stock of

the acquiring or surviving person with a market value of $350. Following the occurrence of any of the events described in the preceding two sentences, any Rights that are or (under certain circumstances) were beneficially owned by any such person or group shall immediately become null and void. The purchase price for Series A Preferred Stock and the number of Series A Preferred Stock shares or other securities issuable upon exercise of Rights are subject to adjustment to prevent dilution.

Outstanding Rights expire at the close of business on February 25, 2000. The Rights will also expire upon consummation of a business combination with a person who acquires shares of Common Stock in a tender offer sanctioned by the board of directors if shareholders receive the same consideration as was paid in the tender offer. Until the close of business on the tenth day following public announcement that a person or group described above has acquired beneficial ownership of 20 percent or more of the outstanding shares of Common Stock, the Rights may be redeemed, in whole but not in part, at the Company's election at a price of $.01 per right. After a person or group described above acquires beneficial ownership of 20 percent or more of the outstanding Common Stock, but before the person or group acquires beneficial ownership of 50 percent or more of the outstanding Common Stock, the Company may exchange some or all of the then outstanding Rights for one share of Common Stock per Right, subject to adjustment in certain circumstances.

The Rights Agreement dated as of February 26, 1990, between the Company and First Interstate Bank of Oregon, N.A. as Rights Agent, specifies the terms of the Rights. Before the Rights become exercisable, the Company may amend the Rights Agreement in any manner without the approval of the holders of Common Stock and thereafter the Company may, subject to certain limitations, amend the Rights Agreement without the approval of the holders of Rights. The foregoing description of the Rights is subject to and qualified by reference to the Rights Agreement which is Exhibit 2 to the Company's registration statement on Form 8-A dated February 26, 1990, and which is incorporated herein by reference.

The Company is subject to the Oregon Control Share Act (the "Control Share Act"). The Control Share Act provides in essence that a person (an "Acquiring Person") who acquires voting stock in a transaction which results in its holding more than 20 percent, 33-1/3 percent or 50 percent of the total voting power of the Company (a "Control Share Acquisition") cannot vote the shares it acquires in the Control Share Acquisition ("control shares") unless voting rights are accorded to such control shares by the holders of a majority of the outstanding voting shares, excluding the Acquiring Person and the Company's officers and inside directors. The term Acquiring Person is broadly defined to include persons acting as a group.

An Acquiring Person may, but is not required to, submit to the Company an "Acquiring Person Statement" which delineates certain information about the Acquiring Person and its plans for acquiring the Company's stock and requests the Company to call a special meeting of shareholders to act on the question of its voting rights. If an Acquiring Person does not request a special meeting of shareholders, the matter shall be considered at the next annual or special meeting of shareholders otherwise held. If an Acquiring Person's control shares are accorded voting rights and its shares represent a majority or more of all voting power, shareholders who do not vote in favor of the restoration of voting rights will have the right to receive the appraised "fair value" for their shares, which may not be less than the highest price paid per share by the Acquiring Person for its shares in the Control Share Acquisition.

EXHIBIT 28

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